

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR AN ADJUSTMENT OF ITS) CASE NO.
ELECTRIC AND GAS RATES AND FOR CERTIFICATES) 2016-00371
OF PUBLIC CONVENIENCE AND NECESSITY)

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO AMY WATERS AND SIERRA CLUB

Amy Waters and Sierra Club (jointly "Sierra Club"), pursuant to 807 KAR 5:001, are to file with the Commission the original and six copies in paper medium and an electronic version of the following information. The information requested herein is due no later than March 31, 2017. Responses to requests for information in paper medium shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Sierra Club shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Sierra Club fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Sierra Club shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Testimony of Jonathan Wallach (“Wallach Testimony”), pages 5–10.

a. State whether Sierra Club is aware that the National Association of Regulatory Utility Commissioners’ Electric Utility Cost Allocation Manual (“NARUC Cost Allocation Manual”) states that distribution plant accounts 364 through 370 (which includes poles, conductors, and line transformers) involve both demand and customer costs.

b. State whether Sierra Club is aware that the NARUC Cost Allocation Manual identifies two common methodologies to determine the demand and customer

components of distribution facilities, the zero-intercept methodology and the minimum-size methodology, and states that in most instances, the zero-intercept methodology is more accurate.

c. Refer to the Wallach Testimony, page 9, lines 5–13. State whether Mr. Wallach is aware of any state public service commission approving a cost-of-service study in which the cost of a company's poles, conductors, and secondary transformers were considered to be zero per customer. If so, provide the name of the state, utility, and case number.

2. Refer to the Wallach Testimony, page 11, lines 22–24, which state “[i]n contrast, the basic service charge is intended to reflect the incremental costs imposed by the continued presence of a customer who uses very little energy.” Provide the basis for this statement.

3. Refer to the Wallach Testimony, page 12. Provide the document referenced in footnote 8.



Talina R. Mathews
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED MAR 17 2017

cc: Parties of Record

*Honorable Allyson K Sturgeon
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Carrie A Ross
Sheppard Mullin Richter & Hampton LLP
1300 I Street NW
11th Floor East
Washington, DISTRICT OF COLUMBIA 20005

*Gregory T Dutton
Goldberg Simpson LLC
9301 Dayflower Street
Louisville, KENTUCKY 40059

*Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Cheryl Winn
Waters Law Group, PLLC
12802 Townepark Way, Suite 200
Louisville, KENTUCKY 40243

*Gardner F Gillespie
Sheppard Mullin Richter & Hampton LLP
1300 I Street NW
11th Floor East
Washington, DISTRICT OF COLUMBIA 20005

*William May
Hurt, Deckard & May
The Equus Building
127 West Main Street
Lexington, KENTUCKY 40507

*Dennis G Howard, II
Howard Law PLLC
740 Emmett Creek Lane
Lexington, KENTUCKY 40515

*G. Houston Parrish
Labor Law Attorney
Office of the Staff Judge Advocate, B
50 3rd Avenue
Fort Knox, KENTUCKY 40121

*Barry Alan Naum
Spilman Thomas & Battle, PLLC
1100 Brent Creek Blvd., Suite 101
Mechanicsburg, PENNSYLVANIA 17050

*Don C A Parker
Spilman Thomas & Battle, PLLC
1100 Brent Creek Blvd., Suite 101
Mechanicsburg, PENNSYLVANIA 17050

*Jody Kyler Cohn
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*Casey Roberts
Sierra Club
1536 Wynkoop St., Suite 312
Denver, COLORADO 80202

*Emily W Medlyn
General Attorney
U.S. Army Legal Services Agency Regul
9275 Gunston Road
Fort Belvoir, VIRGINIA 22060

*Janice Theriot
Zielke Law Firm PLLC
1250 Meidinger Tower
462 South Fourth Avenue
Louisville, KENTUCKY 40202

*Carrie M Harris
Spilman Thomas & Battle, PLLC
1100 Brent Creek Blvd., Suite 101
Mechanicsburg, PENNSYLVANIA 17050

*Eileen Ordober
Legal Aid Society
416 West Muhammad Ali Boulevard
Suite 300
Louisville, KENTUCKY 40202

*Honorable Kurt J Boehm
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*Joe F Childers
Joe F. Childers & Associates
300 Lexington Building
201 West Short Street
Lexington, KENTUCKY 40507

*Thomas J FitzGerald
Counsel & Director
Kentucky Resources Council, Inc.
Post Office Box 1070
Frankfort, KENTUCKY 40602

*Honorable Kendrick R Riggs
Attorney at Law
Stoll Keenon Ogden, PLLC
2000 PNC Plaza
500 W Jefferson Street
Louisville, KENTUCKY 40202-2828

*Kent Chandler
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Honorable Matthew R Malone
Attorney at Law
Hurt, Deckard & May
The Equus Building
127 West Main Street
Lexington, KENTUCKY 40507

*Lawrence W Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Paul Werner
Sheppard Mullin Richter & Hampton LLP
1300 I Street NW
11th Floor East
Washington, DISTRICT OF COLUMBIA 20005

*Honorable Lisa Kilkelly
Attorney at Law
Legal Aid Society
416 West Muhammad Ali Boulevard
Suite 300
Louisville, KENTUCKY 40202

*Rebecca W Goodman
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Laurence J Zielke
Zielke Law Firm PLLC
1250 Meidinger Tower
462 South Fourth Avenue
Louisville, KENTUCKY 40202

*Honorable Robert C Moore
Attorney At Law
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KENTUCKY 40602-0634

*Matthew Miller
Sierra Club
50 F Street, NW, Eighth Floor
Washington, DISTRICT OF COLUMBIA 20001

*Robert Conroy
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Michael J O'Connell
Jefferson County Attorney
Brandeis Hall of Justice
600 West Jefferson St., Suite 2086
Louisville, KENTUCKY 40202

*Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

*Honorable Michael L Kurtz
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010